

Before the
Federal Communications Commission
Washington, D.C. 20554

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In the Matter of)
)
Automatic and Manual Roaming Obligations)
Pertaining to)
Commercial Mobile Radio Services)

WT Docket No. 00-193

COMMENTS OF UNICOM, INC.

IN REPLY TO

ORDER RELEASED NOVEMBER 1, 2000

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I. Executive Summary

The Commission needs to ensure that its actions encourage, not discourage, the deployment of CMRS services, i.e. cellular service, throughout the country including rural and remote Alaskan locations. Until recently cellular service in remote Alaskan villages was not even a consideration due to high costs and small economically disadvantaged populations. Advances in wireless technology, and competition, have forced the cost of new and used analog cellular systems down far enough for Unicom to experiment with offering analog cellular service in twenty-two (22) remote Alaskan villages.¹ While many urban areas have multiple CMRS providers competing with the latest technologies, remote Alaskan locations, are dependent on having access to low cost new or used analog cellular, or other not as advanced wireless systems, so that there can be any mobile service at all.

Herein, Unicom, Inc. (dba Unicom) requests that the Commission not impose any requirements, including automatic roaming requirements, that would force unreasonable, and prohibitive costs, on to Unicom and its customers. Used analog cellular systems, sometimes, can be installed for as little as \$50,000. Digital cellular systems with automatic roaming capabilities, even at the low end, run in excess of \$200,000. This cost is unreasonable and prohibitive - especially when the average number of subscribers per cell site, as is the case with Unicom, is less than twenty five (25) subscribers. Additionally, we see no need to continue the manual roaming rules.

II. Background

On November 1, 2000 the Commission issued a Notice of Proposed Rulemaking (NPRM) for the purpose of determining whether there "is a need for a regulatory regime for roaming services".² Specifically, the Commission is seeking comments on: (1) whether we should adopt an automatic roaming requirement that would apply to certain CMRS providers, and if so, how it should be designed and implemented and for what period of time; and (2) whether we should, either now or in the future, sunset the existing manual roaming requirement placed on those providers.³ The NPRM goes on to explain that the NPRM is being issued to further the goals and requirements of the Communications Act of 1934, as amended, including the charge of "... lower prices and higher quality services for American telecommunications

¹ 22 villages that did not have any CMRS service. Also, there are more than 150 additional Alaskan villages that do now have any CMRS service.

² NPRM, para. I.

³ Ibid, para III.

consumers and encourage the rapid deployment of new telecommunications technologies.”⁴

Unicom, Inc. (dba Unicom) is an Alaskan native owned telecommunications company that currently provides cellular services to approximately 600 subscribers in the following twenty-two (22) Alaskan rural communities: Akiachak, Alakanuk, Bethel, Chuathbaluk, Chevak, Emmonak, Gambell, Hooper Bay, Kasigluk, Kipnuk, Kotlik, Kwethulk, Mountain Village, Napakiak, Napaskiak, Nunapitchuk, Quinhagak, Savoonga, St. Marys, Togiak, Toksook Bay, and Tununak. Unicom is the only CMRS provider at these locations. Unicom also has an interest in deploying cellular services in other remote Alaskan communities including thirty eight (38) locations where its affiliates, United Utilities, Inc. and United KUC, Inc., provide local exchange services. Service to all but eight (8) of the twenty-two (22) Unicom sites was established just this year. All of the communities that Unicom serves (with the exception of Bethel), are small remote villages with populations ranging from approximately 350 in Tununak to approximately 1,200 in Hooper Bay. These communities are accessible only by air and boat. The majority of residents are native Alaskans who live a subsistence life style. Bethel is a larger community that provides educational, business, and medical support services to the surrounding villages. Bethel has a population of approximately 5,000. Transportation to and from Bethel is only by air or boat.

Communities served by Unicom receive cellular service via a single analog cellular switch. Customers use their cell phones while traveling within the village and for subsistence and other activities within the range of the single cellular system (some times exceeding ten miles). Unicom does not deploy multiple cells in these remote communities because the communities are too small. Customers can roam outside of their home based cellular service by having their phones pre- programmed and/or using an In Touch credit card process. While roaming is a nice convenience there is little demand for roaming since there are no roads between villages that are many air and/or boat miles apart. Providing cellular services to these remote Alaskan communities is a financial and operational challenge.

III. Access to Lower Cost Systems without Automatic Roaming Capabilities is Essential for CMRS/Cellular Service to Exist in Remote Locations

Unicom elected to serve these small and remote Alaskan locations when new and used analog cellular systems became available at significantly reduced costs. A used three channel analog cellular system (without automatic roaming capabilities), for example, may be available at an installed cost of approximately \$50,000. Even so there are often fewer than 25 customers on these systems. To purchase a digital cellular switch with automatic roaming would cost in excess of \$200,000. Such a cellular system would also be oversized i.e. manufactures do not make digital cellular systems with automatic roaming capabilities to serve fewer than 1,000 customers. Digital systems, with automatic roaming capability, costing in excess of \$200,000, can not be supported by the few customers that exist in rural Alaskan communities. The cost is

⁴ Ibid

unreasonable and prohibitive - if imposed, there would be no CMRS service.

Competition and advances in technology, while benefitting many urbanites with reduced costs and more features, have made it more feasible to deploy cellular services where no cellular services previously existed.⁵ Larger cellular carriers have been retiring analog and other less advanced cell systems.⁶ These retired cellular systems, and unsold, not as quite as advanced systems, all of sudden become available at more attractive prices - prices that improve the feasibility of introducing and maintaining cellular service in areas, i.e. remote Alaskan communities, that would otherwise have no service. Unicom concurs with the position that "Only . . . where roaming is technically feasible without imposing unreasonable costs on CMRS providers, do we believe it may be in the public interest to impose a roaming requirement . . .".⁷

IV. Automatic or other Roaming Requirements are Unnecessary

Unicom respectfully requests that the Commission not impose "automatic" roaming, or other requirements, that would force unreasonable, and unrecoverable, costs on to CMRS providers, like Unicom, that provide cellular services to remote Alaskan communities. Analog cellular service without automatic roaming is preferable to forcing carriers to abandon service and leaving a community without any mobile service. Having mobile communications capabilities in remote Alaskan communities does promotes public safety and welfare. To the extent that other carriers may want to compete with Unicom, or in other marginal rural markets, an automatic roaming rule would create a disincentive to the growth of facilities-based competition.

Additionally, Unicom does not oppose any requirements that would require Unicom, within the capabilities of the cellular systems it has (pre-programming and credit card) to provide roaming services. In fact, Unicom does not need regulations to encourage it to make its cellular service available to others who may choose to roam. Accordingly, we see no need to extend the manual roaming rules beyond November 24, 2002.

Respectfully submitted,



Steve Hamlen
President
Unicom, Inc.

⁵ 88 percent of the nationwide population has access to at least 3 mobile telephony carriers (Ibid, para. 10).

⁶ "Many analog systems have been, or are in the process of being, converted to digital systems" (Ibid, para. 12).

⁷ Ibid, para. 16.